

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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SF 2351 – County Treasurers Omnibus (LSB 5756 SV)

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Fiscal Note Version – New

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**Description**

Senate File 2351 makes numerous technical changes relating to the duties of county treasurers, including but not limited to the following:

- Permits a firm, association, or corporation that owns vehicles in more than one county to register a vehicle in the county where the primary user of the vehicle is located, rather than in the county of the owner's residence.
- Extends the period of time that a vehicle may be operated pending receipt of registration plates from 45 days to 60 days. The extension applies to the amount of time the county treasurers have to issue the registration and title.
- Effective July 1, 2007, expands the ability of county treasurers to collect certain moneys owed to the State from persons applying for renewal of their vehicle registration. Under current and proposed law, a county treasurer shall refuse to renew the registration of a vehicle registered to a person when notified by the DOT, through the distributed teleprocessing network, that the person has unpaid restitution owed to the county or State. The Bill requires the clerk of court, on a daily basis, to notify the Department of Transportation (DOT) through the Iowa Court Information System (ICIS) of the amount due for restitution under Section 910.1(4), Code of Iowa, including all applicable fees and penalties of persons who owe delinquent restitution. The county treasurer may then collect the restitution for the clerk of court. Upon payment of the restitution and applicable fees and penalties, the county treasurer may issue the vehicle registration. On a monthly basis, the county treasurer is to forward all restitution funds collected to the Department of Revenue (DOR). The Department will then disburse the funds to the clerk of court.
- Requires the Iowa State County Treasurers Association to establish, pursuant to a statewide study to be completed by December 31, 2006, an administrative fee to be charged by all county treasurers for collection of restitution or other debt collected by the treasurer from a person renewing a vehicle registration.
- Effective January 1, 2007, permits prorated refunds of vehicle registration fees for travel trailers and fifth-wheel travel trailers when the vehicles are sold.
- Changes from \$10 to \$20 the fee collected by county treasurers for issuance of a tax sale certificate and strikes the \$10 fee collected for issuance of a certificate of redemption from tax sale. This provision takes effect upon enactment and applies to parcels sold at tax sales held on or after June 1, 2006.
- Allows a county treasurer's office that issues driver's licenses to create a deputy position for the person in charge of driver's license issuance.
- Provides that a county may adopt an ordinance providing for a public nuisance tax sale held on the same day as the annual tax sale. Parcels with delinquent taxes that may be offered for sale are abandoned property and are assessed as residential property or commercial multifamily housing property, and the county or city has declared that the parcel is, or is likely to become, a public nuisance, and that the parcel is suitable for use as housing following rehabilitation.

- Adds conditions that make certain mobile homes and manufactured homes “valueless.”
- Allows the owner of a manufactured home community or mobile home park to obtain a junking certificate for a valueless home prior to disposal of the home.
- Sections 11, 12, and 13 take effect January 1, 2007. Sections 4, 5, 6, and 17 take effect July 1, 2007.

### **Assumptions**

All assumptions are based on Section 7 of the Bill, which expands the ability of county treasurers to collect certain moneys owed to the State from persons applying for renewal of their vehicle registration.

1. The Judicial Branch’s Iowa Court Information System (ICIS) would need to be modified to include the amount due for persons who owe restitution. In addition, programming changes would be required to the ICIS, the Vehicle Registration System utilized by the DOT and county treasurers, and the Department of Revenue’s computer system, so that restitution data can be exchanged between the three agencies.
2. There may be a delay from the time that payment is collected by the county treasurer for restitution to the time it is submitted to the Department of Revenue. As a result, the clerk of court may attempt to collect restitution when the debt has already been paid.
3. The DOT’s Office of Vehicle Services and a County Treasurer User Acceptance Team would incur additional hours for testing of the programming changes.
4. An additional 2.0 Judicial Branch FTE positions would be required to implement the changes to the ICIS, and for on-going maintenance of the System.

### **Fiscal Impact**

The estimated fiscal impact of SF 2351 is as follows:

#### **County Treasurers – Counties’ General Fund**

Minimal fiscal impact to counties’ General Fund, including the provision that changes from \$10 to \$20 the fee collected by county treasurers for the issuance of a tax sale certificate and strikes the \$10 fee collected for issuance of a certificate of redemption from tax sale.

In regard to the provisions that allow county treasurers to collect unpaid restitution, a County Treasurer User Acceptance Team will be needed to test the programming changes to the Vehicle Registration System; however, the fiscal impact is anticipated to be minimal. There are typically two county treasurers that participate on a User Acceptance Team.

#### **Judicial Branch – State General Fund**

##### **FY 2007 and Subsequent Fiscal Years:**

- **Programming Costs:** A one-time cost to the State General Fund of \$485,000 for programming changes to the Iowa Court Information System (ICIS). The costs would be incurred over multiple fiscal years; however, the number of fiscal years is unknown.
- **FTE Positions:** An annual cost to the State General Fund of between \$120,000 and \$150,000 for 2.0 FTE positions required to implement and maintain the changes to the Iowa Court Information System.

**Department of Transportation – Road Use Tax and Primary Road Funds**

FY 2007: A one-time cost of \$151,000 for 1,600 programming hours. Of the total cost, 95.0% (\$142,500) would be paid from the Road Use Tax Fund and 5.0% (\$7,500) from the Primary Road Fund. The cost does not include user acceptance testing hours for the Office of Vehicle Services. These costs are unknown but are anticipated to be minimal.

**Department of Revenue – State General Fund**

No fiscal impact. Programming hours would be incurred using current staff and resources.

**Sources**

Iowa State Association of Counties  
Polk County Treasurer’s Office  
Department of Transportation  
Department of Revenue  
Judicial Branch

/s/ Holly M. Lyons

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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